INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

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Recovery of Canned Foods Involved in Recent Floods

Since the recent floods in the Northeastern states the N.C.A. has received a number of inquiries regarding the handling of flood-damaged stocks of canned foods. The same situation has been presented in earlier disastrous floods, and as before the principal question involved has been the steps that must be taken to ensure that the affected stocks will be safe for use and in satisfactory condition for merchandising.

Also involved is the fact that local and federal regulatory officials have the duty of seeing that such lots do not return to the channels of commerce in an unsafe condition. In the current emergency, the Association is informed, federal food and drug inspectors have been deputized by several states with authority to place embargoes on any lots in questionable condition. When lots are embargoed, either by federal or state officials, salvage operations can be undertaken only with official permission and the results must meet with official approval before the goods can be released.

The N.C.A. this week made known to trade associations for the food wholesalers and retailers, including chain stores, that in many instances flood-damaged stocks of canned foods are recoverable, and informed the distributors' organizations of the procedures found to be satisfactory under similar conditions in the past.

The N.C.A. pointed out that salvage operations on canned foods should be initiated promptly so as to prevent further deterioration through the loss of labels or rusting. In this connection it was emphasized that warehouse operators whose stocks have been either embargoed or condemned should point out to regulatory officials that the stocks of canned foods may be recoverable and should insist that approval be granted to carry out salvage operations according to approved procedures.

The N.C.A. information on recovery of canned foods was sent to the following associations, with the request that it be forwarded to their members in the affected areas: National-American Wholesale Grocers Association, National Association of Food Chains, National Association of Retail Grocers, Super Market Institute, and U. S. Wholesale Grocers Association.

Experience in previous floods has developed procedures which appear to be satisfactory except in the most extreme conditions of damage or contamination. While it cannot be assumed that these will satisfy the requirements in every instance, they furnish the best beginning for working out plans in cooperation with the proper authorities.

For metal containers, if the problem is not aggravated by rusting, the following suggestions are believed to be adequate for rehabilitation of cans that have been in actual contact with flood waters:

(1) Remove labels and wash cans in warm, soapy water.

(2) Follow the cleansing treatment by immersion in a chlorine solution or other sterilizing solution approved by a board of health. Phenol, cresol or other coal tar disinfectants are unsuitable since the odor imparted by such solutions is objectionable and persistent.

(3) Rinse the cans in fresh water and dry thoroughly to prevent rust.

(4) Repack in dry cases and store in a dry place as is usual.

If chlorine is used for a disinfectant, a solution having an alkaline reaction is recommended since such a solution tends to prevent rusting of the cans. If a solution of this type is used, there is no need to rinse the cans in fresh water, but they should be dried promptly.

Advice regarding the strength of the sterilizing solution should be obtained from the local board of health or other agency concerned in the flood rehabilitation.

The cans may be relabeled as soon as they are thoroughly dry.

If rusting has occurred, it is necessary to burnish the cans and they should then preferably be coated either with a small amount of protective oil or a transparent lacquer.

With glass jars, the problem is more difficult due to the possibility of silt or other contamination being trapped between the jar and the edge of the cap. In general the same cleaning methods are applicable if additional measures are taken to clean out the groove between caps and jar shoulders. In some cases this has been satisfactorily done by scrubbing with toothbrushes, using soap or other detergent. Following this with a high pressure hot water rinse and a dip in chlorine or hypochlorite solution might suffice in some instances; otherwise it would be necessary to give the jars a heat process sufficient to sterilize the lids and seals. Even these measures may fail to receive approval if tests show that silt is too tightly trapped for removal.

'Keep America Beautiful' Has Food Industry Backing

The public service campaign to keep America beautiful through prevention of litter has active in its leadership a number of prominent figures in the canning and food container industries. President of Keep America Beautiful, Inc., is Smith L. Rairdon of the Owens-Illinois Glass Co., and the chairman of the board is William C. Stolk of American Can Co. Also serving on the board is W. B. Murphy of the Campbell Soup Co. The executive vice president is Eugene A. Hildreth, formerly of Owens-Illinois and a past president of the Canning Machinery and Supplies Association. Henry W. Kuni of the Glass Container Manufacturers Institute is treasurer of the organization.

The new organization with its headquarters in New York City is national in scope and nonprofit in nature. Its avowed purpose is to eliminate litter

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Legislative Summary—First Session, 84th Congress

The first session of the 84th Congress adjourned sine die on August 2, 1955, until January 3, 1956.

All legislation before either the Senate or House will remain in its status as of adjournment and will be subject to further consideration upon the convening of the second session.

The following describes the history and current status of selected legislation of interest to the canning industry:

Agricultural Trade Development

P. L. 387 reemphasizes agricultural trade development as the primary objective of the so-called "480 Program" authorized by P. L. 480 of the 83d Congress, and raises the amount of federal money that may be spent in that three-year program from $700,000,000 to $1,500,000,000, with a requirement that it be obligated promptly. The legislation also centralizes additional authority in the Secretary of Agriculture to carry out the trade development program.

Alaska Fish Nets

P. L. 12 affirms the authority of the Fish and Wildlife Service to regulate the placing of set nets in Alaska waters (see Information Letter of March 12, page 149).

Antitrust Law Study

The Antimonopoly Subcommittee of the Senate Judiciary Committee, under Senator Kilgore (W. Va.), began hearings June 1 on a study of enforcement of the antitrust laws. The hearings are being carried on this summer.

The study covers distribution practices, such as pricing, the meeting of competition, quantity limits, cost justification, and brokerage allowances; the relationship of the various antitrust laws; and the effects of concentration and mergers on competition.

Antitrust Penalties

P. L. 135 increases from $5,000 to $50,000 the maximum criminal penalties may be imposed for violations of Sections 1, 2, and 3 of the Sherman Act (see Information Letter of July 2, page 247).

Antitrust Suits

P. L. 137 amends the Clayton Act so as to allow the United States, as the largest single purchaser of goods and services from private corporations, to recover actual damages for injuries to its business or property arising out of violations of the antitrust laws, and further amends the Clayton Act to provide a uniform statute of limitations of four years for actions to recover damages brought either by the United States or by private parties (see Information Letter of July 2, page 247).

Apple Prices

The President vetoed legislation which would have prohibited publication by the USDA of any prediction with respect to apple prices.

CCC Borrowing

P. L. 344 increases from $10 billion to $12 billion the borrowing capacity of the Commodity Credit Corporation, so as to enable the CCC to meet its anticipated price support obligations through 1955. The borrowing authority had been increased from $8.5 billion in 1954.

Customs Simplification

H. R. 6040, to revise the method by which the value of imported merchandise is determined for customs evaluation, was passed by the House and is pending before the Senate Finance Committee.

The single preferred standard of evaluating imports subject to ad valorem duties would be the "export value," the price at which the merchandise is freely sold to purchasers in the usual wholesale quantities and in the ordinary course of trade for exportation to the United States, including the cost of placing the merchandise in condition, ready for shipment. The use of this standard would result in lowering appraised values of some commodities and would diminish tariff protection on those items.

Defense Production Act

P. L. 295 extends the Defense Production Act for one year—through June 30, 1956—and authorizes the continued employment of "without compensation" business executives on loan to the government, with an amendment requiring that their names and business interests be listed semiannually in the *Federal Register*.

The Defense Production Act contains authorization for set-aside orders and provides for loan guarantees by government agencies.

Durum Wheat Acreage

P. L. 8 authorized the Secretary of Agriculture to increase the farm marketing quotas and acreage allotments for the 1955 crop of class II durum wheat, so as to achieve a small increase in the production of durum wheat for one year.

FDA Appropriations

In P. L. 195, making appropriations for the Food and Drug Administration and other agencies for the current fiscal year, Congress increased funds for FDA enforcement by $384,000. FDA appropriations had declined since 1952.

Following the publication of the report of the Citizens Advisory Committee on the Food and Drug Administration (see Information Letter of July 9, page 251), legislation providing additional funds to carry out the Committee's recommendations was introduced, but was not acted on.

FDA Chemical Additives

A number of bills to regulate the use of chemical additives in foods were introduced in the House and are pending before the House Interstate Commerce Committee (see Information Letter of Aug. 6, page 273).

FDA Codification

H. R. 6991, to revise, codify, and enact into law Title 21 of the U. S. Code, entitled "Food, Drugs, and Cosmetics," was passed by the House and is pending before the Senate Judiciary Committee.

FDA Imitation Foods

No action was taken on H. R. 3692, which would prohibit the interstate marketing of any "imitation" of a standardized food product, even though the imitation product is plainly labeled as such. The bill is pending before the House Interstate Commerce Committee.

Gasoline Tax

A number of bills proposing refunds of federal tax paid on gasoline used in farming were introduced in the House and are pending before the House Ways and Means Committee.

Government Reorganization

P. L. 16 extends from April 1, 1955, to June 1, 1957, the authority of the President to reorganize the executive departments and agencies of the federal government through "reorganization plans" subject to disapproval by either house of Congress.

Mexican Farm Labor Program

P. L. 319 extends for 3½ years—through June 30, 1958—the authorization for importation of Mexican nationals for employment in agriculture.

An amendment to the present program would relieve employers of double liability for the expense of returning a worker to Mexico once the employer has paid for such movement.

Organization for Trade Cooperation

H. R. 5550 would authorize U. S. participation in the Organization for Trade Cooperation, which is intended primarily to provide permanent arrangements for the administration of

the General Agreement on Tariffs and Trade, the international agreement containing trade rules (see INFORMATION LETTER of March 26, page 167). The bill was introduced in the first session and will be one of the first to be considered by the House Ways and Means Committee after Congress convenes.

PHILIPPINE TRADE ACT

P. L. 196, the Philippine Trade Agreement Revision Act of 1955, authorizes the President to enter into a revised trade agreement with the Philippine Republic, ending duty-free trade between the two countries on January 1, 1956 (see INFORMATION LETTER of May 14, page 208).

PRICE SUPPORTS

H. R. 12, to restore price supports on basic crops at 90 percent of parity, was passed by the House by a vote of 206-201.

The bill is pending before the Senate Agriculture Committee which has scheduled hearings this fall for a study of price support programs on the basic crops and on dairy products. The schedule of hearings:

Oct. 24—St. Paul, Minn.; Oct. 25—Worthington, Minn.; Oct. 26—Des Moines; Oct. 27—Brookings, S. D.; Oct. 28—Minot, S. D.; Oct. 31—Pendleton, Ore.; Nov. 2—Fresno, Calif.; Nov. 4—Albuquerque, N. M.; Nov. 7—Hutchinson, Kans.; Nov. 8—Fort Worth, Tex.; Nov. 9-10—Alexandria, La.; Nov. 12—Macon, Ga.; Nov. 14—Columbia, S. C.; Nov. 15—Raleigh, N. C.; Nov. 18—Montpelier, Vt.; Nov. 19—Utica, N. Y.; Nov. 21—Chicago.

RENEGOTIATION

P. L. 216 extends the Renegotiation Act of 1951 for an additional two years—through December 31, 1956—with certain amendments.

SMALL BUSINESS ACT

P. L. 268 extends the Small Business Administration for two years—through June 30, 1957—and increases the maximum permissible SBA loan from $150,000 to $250,000.

Enactment of this legislation has the effect of continuing the program under which "small business" has certain preference in government procurement.

STATEHOOD FOR ALASKA AND HAWAII

H. R. 2535, which would provide statehood for both Alaska and Hawaii, was recommitted to the House Interior and Insular Affairs Committee by a vote of 218-170.

SUGAR ACT

H. R. 7030, to amend and extend the Sugar Act of 1948, providing an immediate increase in consumption quotas for domestic sugar and also increases in quotas for imported sugar, was passed by the House and is pending before the Senate Finance Committee.

TAX AMORTIZATION OF WASTE DISPOSAL FACILITIES

Accelerated amortization of water pollution treatment works would be authorized by a tax bill which is expected to be reported to the House in January.

The House Ways and Means Committee has approved a bill designed to encourage the prevention of water pollution by allowing the cost of treatment works for abatement of stream pollution to be amortized over a five-year period. The bill would allow the accelerated amortization only for the cost of treatment facilities, but not for the cost of land.

The N.C.A. has endorsed such legislation in previous years (see INFORMATION LETTER of July 25, 1953, page 243).

The amortization provision is one of 18 bills approved by the Committee for inclusion in a "bobtail" tax bill. The bill was not formally reported prior to adjournment, but is expected to be reported by Chairman Cooper after Congress convenes.

TEXAS CITY TIN SMELTER

Congress approved S. Con. Res. 26, expressing the sense of Congress favoring continued operation of the government-owned tin smelter at Texas City, Tex.

TRADE AGREEMENTS ACT

P. L. 86, the Trade Agreements Extension Act of 1955 (known as H. R. 1 before its enactment) extends for three years—through June 30, 1958—the authority of the President to enter into reciprocal trade agreements and to reduce tariff rates, and establishes new procedures for making the tariff reductions (see INFORMATION LETTER of April 30, page 202, and June 18, page 242).

TRIP-LEASING

S. 898, to prohibit ICC regulation of the duration of motor carrier leases, was reported by the Senate Interstate Commerce Committee and is on the Senate calendar for action when Congress convenes.

USDA APPROPRIATIONS

In P. L. 40, making appropriations for the U. S. Department of Agriculture for the current fiscal year, Congress earmarked $250,000 for a special study of price spreads between the farmer and the consumer.

WAGE-HOUR LEGISLATION

P. L. 381 increases the federal statutory minimum wage from 75 cents to $1.00 an hour, effective March 1, 1956.

The President had recommended that the minimum wage be raised to 90 cents and that "many others, at present excluded, be given the protection of a minimum wage."

A Senate Labor Subcommittee headed by Senator Douglas (Ill.) held public hearings on proposals to amend the Fair Labor Standards Act—to increase the minimum wage, curtail existing exemptions, and broaden coverage. In a statement filed with the subcommittee, the N.C.A. expressed the canning industry's position in support of the existing overtime exemptions.

Although the Senate hearings covered all aspects of wage-hour legislation, no change in coverage was recommended by the Senate Labor Committee or voted by the Senate.

The House Labor Committee, under the chairmanship of Representative Barden (N. C.), limited its hearings to the minimum wage and excluded testimony related to exemptions and coverage. The $1.00 minimum wage was voted by both the Senate and House.

Pending before the Douglas subcommittee are proposals to modify the existing seasonal agricultural and fishery exemptions, and also proposals to repeal them (see INFORMATION LETTER of April 9, page 183).

The President may renew his recommendation that coverage be extended. Whether he does or not, the subject of existing exemptions and additional coverage may be taken up anew when Congress convenes.

WATER POLLUTION

S. 890, which would provide for continuing the activities of the U. S. Public Health Service initiated under the Water Pollution Control Act of 1948, was passed by the Senate and reported favorably by the House Public Works Committee, but failed to get House approval prior to adjournment.

1955 Pack of Asparagus

The 1955 pack of canned asparagus totaled 7,069,318 actual cases as compared with the 1954 pack of 5,611,870 cases, according to a report by the N.C.A. Division of Statistics.

State	1954	1955
	(actual cases)	
Green:		
New Jersey	650,744	730,422
Illinois	518,579	529,059
Michigan	530,675	685,709
Wash. and Ore.	513,416	524,876
California	1,621,828	1,977,131
Other states	420,908	454,617
Total green	4,256,150	4,901,814
White:		
California	1,355,720	2,167,504
U. S. Total	4,489,267	7,069,318

In order to make the pack totals for 1955 comparable with those for previous years, asparagus packed in 8Z cans is computed on the basis of 48 units per case and 300 cans are computed on the basis of 24 units per case.

Invitations for Bids

Quartermaster Market Centers: 226 W. Jackson Blvd., Chicago 6, Ill.; 1321 Pendleton St., Columbia, S. C.; Felix at Hemphill St., Fort Worth, Tex.; 633 Hardesty Ave., Kansas City, Mo.; 1206 Santee St., Los Angeles, Calif.; Port of Embarkation, Unit 3, New Orleans, La.; 29th St. and 3d Ave., Brooklyn, N. Y.; 2155 Webster St., Alameda, Calif.; 1709 Kelly Rd., Richmond, Va.; P. O. Box 3225, Seattle, Wash.

Veterans Administration: General Supplies Section, Procurement Division, Supply Service, Washington 25, D. C.

The Walsh-Healey Public Contracts Act may apply to all operations performed after the date of notice of award if the total value of a contract is $10,000 or over.

Chicago has invited bids to furnish:

CORN—23,992 dozen No. 10 cans and 50,318 dozen No. 303 cans, Fed. Spec. JJJ-C-542. Bid opening Sept. 12.

CATSUP—96,305 dozen No. 10 cans and 187,312 dozen 14-oz. bottles. Bid opening Sept. 9.

Columbia, S. C., has invited bids to furnish:

PIMIENTOS—38,040 dozen 7-oz. cans, Fancy (Grade A), f.o.b. origin. Bid opening Sept. 20.

Alameda, Calif., has invited bids to furnish:

LIMA BEANS—quantities of No. 10 and No. 303 cans, Fed. Spec. JJJ-B-126d, Extra Standard (Grade B). Bid opening Sept. 6.

TOMATO PASTE—36,992 dozen No. 10 cans, Fed. Spec. JJJ-T-571a, Fancy (Grade A). Bid opening Sept. 20.

Seventeen Magazine

Many canned foods are featured in the article entitled "Thirty Minutes to Dinner" in the September issue of *Seventeen* magazine.

The article says, "If you know how, you can whip up a delicious meal in thirty minutes flat." And it goes on to suggest ". . . take advantage of today's time-saving electric appliances, today's no-time-flat, quickly prepared foods, and recipes and menus especially planned with speed in mind."

Among the suggestions of foods for quick cooking, the author says, "Delicious main dishes come in cans, . . . meat stew, cooked whole ham, cooked whole chicken. Canned potatoes, sauces and home-style puddings are all time-savers." Canned foods used in the menus and recipes are chicken, mushrooms, yams, cream of chicken soup, asparagus, pears, potatoes, tomato sauce, beef with gravy, onions, consomme, pimientos, tomatoes, and applesauce.

Cologne Food Fair

The U. S. Department of Agriculture lists 16 firms and trade associations which are presently scheduled to participate in the International Food Fair in Cologne, Germany, October 1-9.

This is the first effort by USDA to organize participation by U. S. agriculture in trade fairs abroad.

Keep America Beautiful

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from public highways, beaches, and parks; to place on a national scale what is being done locally in several communities by women's clubs, farm and rural groups, educators, conservationists and sportsmen, youth organizations and others.

Prominent industrialists are brought into the problem because of the fact that modern packaging technology has resulted in extensive use in America of cans, cartons, paper cups, bottles, film wraps, corrugated and fibre cases, and other packaging material. Statistics reveal that gathering highway trash costs federal, state and county agencies more than $30 million a year. The recent annual Governors' conference unanimously voted in favor of national educational programs to combat litter. The organization is developing anti-litter committees in many states, preparing educational material, and sponsoring anti-litter drives. Highway signs, advertisements and slogans are part of the tools being used.

A recent press release states that: "With fully 25 percent of the American population employed directly or indirectly in food processing and production, it becomes apparent that there is a real opportunity for canners, freezers and other processors to benefit from participation in this fine public service.

"Inquiries concerning the national program or about membership should be directed to Keep America Beautiful, Inc., 99 Park Avenue, New York 16, N. Y., Attention: Eugene A. Hildreth, Executive Vice President."

British Token Import Plan

Quota balances for a number of canned food products are available until September 30 under the British Token Import Plan for 1955, it is reported by the Bureau of Foreign Commerce, U. S. Department of Commerce.

The BTIP enables eligible U. S. firms to export to the United Kingdom token shipments of specified commodities whose import from dollar sources generally is prohibited by the U. K. government.

Any manufacturer may apply to the BFC for a share of the quota balance for items within a commodity group. Applicants must have accepted orders or sales contracts before applying for quota balances, and they must submit applications to BFC before October 1.

Following are the food products for which quota balances are available:

156, Bottled fruits, processed for serving with ice cream, $325.

75, Canned macaroni and spaghetti, $4,100.

76, Canned pork and beans, $29,925.

If circumstances permit, the quota balance available for canned soups, commodity group No. 74, also will be made available by BFC for shipment of canned pork and beans.

74, Canned soups, $20,000.

If circumstances permit, the quota balance available for canned macaroni and spaghetti, commodity group No. 75, and canned vegetables, commodity group No. 84, also will be made available by BFC for shipment of canned soups.

84, Canned vegetables, including tomato juice, but excluding tomatoes and tomato puree, $1,635.

If circumstances permit, the quota balance available for canned soups, commodity group No. 74, and canned pork and beans, commodity group No. 76, also will be made available by BFC for shipment of canned vegetables.

83, Olives preserved in salt or brine, $750.

157, Pickles, $7,750.

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